

AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good morning,

The past two weeks have been very challenging for the Arizona Office of Tourism <u>and</u> the tourism industry.

AOT has begun a new chapter under the budget parameters set by the legislature. As a reflection of that, we are realigning our scope of work and that has unfortunately required staff reductions and reorganization. Although change is never easy, our mission remains the same, to promote the State of Arizona as a premier tourism destination. For the revised <u>staffing contact list</u> please visit <u>www.AZOT.gov</u>. If you have any questions about the reorganization, contact either AOT Deputy Director Mark Stanton (602) 364-3704 <u>mstanton@azot.gov</u> or me at (602) 364-3703 <u>shenry@azot.gov</u>. Moving forward, the team at AOT is committed to our statewide partners and remains focused on projects that best promote the great state of Arizona.

During the next two months our team will be developing the FY11 action plan. As these plans are finalized we will keep you informed of the details. Concurrently, we will be completing the FY10 plan and the programs which we have scheduled through the end of the fiscal year.

Planning for the July Governor's Conference on Tourism is in full swing! This conference has never been more important to our industry and we are hopeful you will attend. To find details or register for the conference, please visit www.aztourismconference.com.

Of equal concern over the past two weeks has been the recent immigration law (SB1070). This law has generated a myriad of responses from potential Arizona visitors. We are working closely with the Governor's Office by providing them with daily updates as to the financial, public relations and other long-term implications of this legislation on the tourism industry. I would like to thank Debbie Johnson, president and CEO of the Arizona Hotel and Lodging Association, for assisting us and working so diligently on managing this issue with her membership and the media.

The law is set to go into effect in July 2010. In the meantime, we have updated our Web site with a clarification of approved and required documentation outlined in the law and we are developing an FAQ section on the legislation as well. To review the information, please visit www.arizonaguide.com/arizona.com/arizona-travel-info/indentification-requirements. We will continue to update our Web site as we receive new information regarding this law.

These are challenging times. However, we will pull together, as we have always done, and look for solutions to help each other. We represent one of the most beautiful, diverse and desirable tourism destinations in the country. The Arizona Tourism Industry is resilient and strong and will meet these challenges.

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AOT News

Have a great week!

New Updates to AOT's Research Web site!

The following items have been updated in the Research and Statistics section of AOT's business-to-business Web site www.azot.gov.

- Lodging Performance March 2010
- Lodging Performance March 2010 (by county)
- Lodging Bed Tax Rates April 2010
- Gross Sales and Taxes February 2010
- State Park Visitation March 2010

For additional information or questions, please contact Melissa Elkins, Research Manager, at 602-364-3716 or via e-mail at melkins@azot.gov.

New Hopi Hotel Opens!

Dawn Melvin, AOT's Native American Tourism Development Manager attended the opening of the new Moenkopi Legacy Inn & Suites on April 27th. The dedication and ribbon cutting for the first hotel to be built on Hopi Tribal lands in 50 years was attended by members of the Hopi Tribal government, Hopi Villages, and Navajo communities. Information about The Legacy Inn and Hopi tourism activities can be found at www.experienceHopi.com

Registration is Now Open for the 30th Annual Governor's Conference on Tourism

The Governor's Conference on Tourism is Arizona's only all-industry educational and networking conference for members of the hospitality, travel and tourism industry. Take home practical ideas from the industry's top experts, hear the latest in hospitality and tourism, network with more than 500 fellow professionals, and learn about products and services from exhibiting sponsors. Registration and conference details are available online now. Questions? Call 602.265.2252 or email info@aztourismconference.com.

Upcoming Events & Activities

AAA/CAA FAM Tour

Date: April 28 - May 2

Location: Glendale, Greater Phoenix Area, Grand Canyon and Wickenburg

US Travel Associations International Pow Wow

Date: May 15-19, 2010 Location: Orlando, FL

Industry News

Airlines Seek Volcanic-Ash Aid

The world's airline industry urged governments to consider giving assistance to carriers affected by the Icelandic volcano-and they were holding up the U.S. as an example. The International Air Transport Association said the volcanic-ash crisis cost airlines more than \$1.7 billion in lost revenue through just the first six days following the initial eruption. In addition to relaxing certain rules and restrictions, IATA wants governments to examine ways to compensate airlines for lost revenue. The group points out that, after the terrorist attacks of Sept. 11, 2001, closed U.S. airspace for several days, the U.S. Congress approved \$5 billion in aid to airlines. IATA says the "scale of the (volcano) crisis eclipsed 9/11 when U.S. airspace was closed for three days." (www.OrlandoSentinel.com/Business; Travel Advance, April 27)

Restaurants Gain Ground Across U.S.

It took more than a year, but American diners are coming out of hiding, starting to splurge on everything from tea to tacos and tacking on some dessert. The meals aren't fancy-and business is far from what it was before the recession sent the nation spiraling-but restaurateurs big and small say they're breathing a tentative sigh of relief as tables fill up. In the depths of the recession, customers might order a glass of wine, a salad and an entree. Now, they're more likely to get a bottle of wine, a hot appetizer, and an entree. They'll also split a dessert, which adds up to a bigger bill and full tables. The shift, which restaurant analyst Jeff Farmer calls a "slow grind," began in late January and is gaining steam. A number of factors could be behind the upswing: an influx of cash from tax refunds; warm weather that drew people from their homes; or increasing confidence that the economic recovery isn't a mirage. (AP; www.Boston.com/ Business Travel Advance, April 27)

AMEX, U.S. Travel Association Launch New Promotion

In a unique one-month promotion through a specially created Web site, DailyGetaways.com, nearly 50 of America's top destinations and travel brands have joined together in a promotion to stimulate travel. Discover America Daily Getaways is a joint promotion of the U.S. Travel Association and American Express that runs from today through June 4. Aimed at stimulating

travel in time for summer, the promotion offers deals of up to 50% off products from leading travel companies and travel experiences from popular destinations. Any U.S. resident 18 or older with a major credit card may purchase from an inventory of specially priced travel products offered by 25 leading travel companies, including hotels, airlines, rental cars, attractions, theme parks, dining and shopping. Consumers can sign up for daily travel alerts at DailyGetaways.com. Details at www.DiscoverAmerica.com. (Special to TA; Travel Advance, April 29)

Corporate Travel Budgets Up but Not to Prior Peaks

Business travelers are returning, airlines and hotels say, as corporations open their wallets, according to the Wall Street Journal. At the same time, expected outlays are no where near their peaks in late 2007 and early 2008 before the economic downturn hit the U.S. Starwood Hotels & Resorts reports "unanticipated late-breaking corporate business" while Delta Air Lines says its contract revenue this month has soared 50% from the year earlier period. (See Trade Winds This Week, below). US Airways' 1st quarter revenues was pushed up largely from business travel. (Page B1, Wall Street Journal; Travel Advance, April 30)

United Continental Announce Merger

United Airlines and Continental Airlines announced this morning that they have agreed to merge in a deal that would create the world's largest airline. The merger deal comes after the boards of Continental and UAL voted Sunday to approve the all-stock deal, valued at more than \$3 billion. The merged airline, to be called United Airlines, would keep United's headquarters in Chicago. Jeffrey A. Smisek, Continental's chief executive, would run the merged company. Glenn Tilton, the chairman of UAL, would be non-executive chairman for two years, after which Smisek would become executive chairman. The deal still needs shareholder approval and could face antitrust hurdles. (Pages A1, New York Times; B1, Wall Street Journal; A3, Washington Post; www.ChicagoTribune.com/Business)

UAL and Continental Airlines hope to cut costs, boost revenue and return to profitability by merging into the world's largest airline, but that could prove to be a mixed bag for consumers. Ticket fares could rise, at least initially, amid reduced competition if regulators approve the U.S. airline industry's second major consolidation in two years. Travelers also face the prospect of severe glitches if the two big airlines embark on a months-long process of integrating their fleets, workers, airport gates and information technology. United and Continental already have a code-sharing agreement and Continental joined United's Star Alliance last October. Delta Air Lines acquired Northwest Airlines in 2008. (Page B4, Wall Street Journal; Travel Advance, May 3)

Senate Eyes Video Conference for Visa Interviews

The U.S. Travel Association reports that the Senate has proposed the use of video conferences for visa interviews in major countries. The plan, included in the State Department authorization bill pending before the Senate, would set up a two-year test in such nations as China, India and Brazil. Due to a scarcity of consular offices in these countries, prospective tourists "must travel hundreds of miles to the nearest U.S. Consulate to apply for a visa." (www.mimegasite.com, 4/29; Travel Advance, April 30)

SAVE the DATE: Arizona Highways Travel Show – May 22 & 23

The Arizona Highways Travel Show provides an opportunity for communities, along with industry-related organizations and companies to promote their tourism destinations directly to potential customers in the Phoenix market.

The Arizona Highways Travel Show had an extremely successful inaugural show last year and looks to build upon that success. More than 100 exhibitors participated in last year's event where more than 3,000 attendees were looking for travel locations and things to do in the summer and fall in Arizona.

Show Details:

Arizona Highways Travel Show Phoenix Convention Center – Hall F May 22 & 23, 2010 10:00 a.m. – 5:00 p.m.

To register for a booth at the show:

www.arizonahighwaystravelshow.com

Booth prices start at: \$650.00 – opportunities to share a booth are available

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Calendar of Events

Visit <u>www.ArizonaGuide.com</u> to find information on all the exciting <u>events</u>, <u>festivals and activities</u> held throughout the Grand Canyon State!

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